

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6305

BILL NUMBER: SB 87

NOTE PREPARED: Nov 24, 2002

BILL AMENDED:

SUBJECT: TRF benefit payments.

FIRST AUTHOR: Sen. Harrison

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill eliminates the requirement that the last retirement benefit paid by the Teachers' Retirement Fund (TRF) be prorated to terminate at the member's death. (The introduced version of this bill was prepared by the Pension Management Oversight Commission.)

Effective Date: July 1, 2003.

Explanation of State Expenditures: This proposal is estimated to cost between \$150,000 and \$200,000 per year. The fund affected is the Non-Budget Administration Fund. In addition, there could be some administrative savings associated with not having to send out partial payouts.

Background Information: The TRF ranges from 50 to 75 partial payments per month. The payout is slightly less than one-half the normal monthly payment for a deceased member or survivor. For the current month, the partial payout was about \$20,000, while the normal payroll would be about \$42,000.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Teachers' Retirement Fund.

Local Agencies Affected:

Information Sources: Dr. William Christopher, Director of the Teachers' Retirement Fund, 232-3869.

Fiscal Analyst: James Sperlik, 317-232-9866